

Outgoing 00150025

0051

From: Steve Christensen
To: Mark Reynolds
Date: 10/26/2006 10:37:28 AM
Subject: Re: Bear Canyon Lease

Mark,

Howdy. I've gone through the most recent revisions you e-mailed, and have the following comments:

-The Water Rights and Replacement section looks good. I see that you've got the correct regulation cited at the top of the section (i.e. R645-301-731.530). In this latest response you stated it was on page 7-61D, but it's on page 7-61. I'm assuming that's just a typo.

-As for the paragraph on page 7-61A regarding the "primary water rights owners", Jim Smith and I don't have any serious problems with it so we'll let that one ride. I'll perhaps mention it to Marc Stillson and see what his thoughts are, but I don't think it's a big issue at this point. The entities listed are in fact the 'primary' water rights holders that could be impacted so it seems accurate enough for me.

-Thanks for sending Figure 5C-3 and the related text portion regarding Lease Stipulation 21. I think this information (text and figure), should be cut and pasted into chapter 7, seeing as how it deals directly with water replacement/monitoring. You could insert it on page 7-61 following the 2nd sentence of the first paragraph under the R645-301-731.530 Water Rights and Replacement section. It would make sense for that information to be in chapter 7 where you discuss water replacement.

-The language regarding the weekly e-mail reports to the Division during the undermining of perennial streams should be included in chapter 7 in the appropriate sections as well as in chapter 5.

-Sorry about the last comment regarding the undermining monitoring schedule for the surface water sites. I double checked and you had already sent me that. Sorry about that. I totally missed that. Looks fine.

-As for the agreement between C.W. Mining and C.O.P., we were just wondering what type of agreement it was (i.e. written, formal, verbal etc..). We don't necessarily need a copy of it (if there is one), we just wanted there to be some mention as to the type of agreement between the two entities.

That's all I've got. It looks good Mark. Thanks for making the changes. Hopefully we can get this all wrapped up in the near future and you can take the family on a nice long vacation. Cancun is nice this time of year.. so I've heard. I've never been there. I went to Tijuana once, but that's not exactly what you'd call a vacation destination. . .and it's definitely not a place for children.

Steve

CC: Jim Smith; Joe Helfrich; Wayne Hedberg